

Base Metals

	Previous	CMP	% Change
Comex Copper	2.424	2.384	-1.65
LME Copper	5391	5290	-1.87
LME Aluminium	1521.5	1505	-1.08
LME Zinc	1969	1960	-0.46
LME Lead	1652.75	1629.25	-1.42
LME Nickel	12427.5	12117	-2.50
MCX Copper	411.5	406	-1.34
MCX Aluminium	130.2	129.45	-0.58
MCX Zinc	154.7	154	-0.45
MCX Lead	130.15	130.1	-0.04
MCX Nickel	940.5	919	-2.29

Base Metal Related News

Base metal prices tumbled yesterday while a fall in US unemployment claims failed to boost market sentiment.

Refined zinc production the world over rose to 3.314 million tonnes in the first quarter, up from 3.212 million in the same period of 2019.

Copper prices fell on Friday as mounting Sino-U.S. tensions and concerns about a rebound from the coronavirus-led economic slump curbed risk appetite and demand for metals.

Asian shares were set for another retreat after China's plans to impose a new national security legislation on Hong Kong drew a warning from U.S. Trump that Washington would react "very strongly" against the attempt.

Tensions between the U.S. and China will likely get worse ahead of the American presidential election this November, experts told CNBC

World copper market was in a surplus of 188,000 mt in the first three months of 2020, following a deficit of 268,000 mt in the whole of 2019, the World Bureau of Metals Statistics (WBMS) reported on Wednesday.

LME Inventory (21/05/2020)

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	274550	-850	295199	-14562	20925	21.78
Aluminium	1475089	-4025	482415	25450	-3525	11.61
Zinc	74400	-450	138746	-6352	200	12.87
Lead	73326	-50	14910	-437	-50	20.29
Nickel	235041	0	30376	-179	0	16.16

Base Metal Outlook

Base metals are trading lower today. We expect base metal prices to trade negative as China announced plans to impose new national security legislation on Hong Kong to tighten its grip on the semi-autonomous city. US-China trade tension escalation is also a sign of worry. One can maintain sell on rise strategy in Metals for the day.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
18-May					
7:30pm	USD	NAHB Housing Market Index	37	35	30
19-May					
11:30am	GBP	Unemployment Rate	3.90%	4.40%	4.00%
2:30pm	EUR	ZEW Economic Sentiment	46	27.4	25.2
	EUR	German ZEW Economic Sentiment	51	30	28.2
All Day	EUR	ECOFIN Meetings			
6:00pm	USD	Building Permits	1.07M	1.00M	1.35M
	USD	Housing Starts	0.89M	0.95M	1.22M
7:30pm	USD	Fed Chair Powell Testifies			
	USD	FOMC Member Kashkari Speaks			
20-May					
11:30am	GBP	CPI y/y	0.80%	0.90%	1.50%
	GBP	Core CPI y/y	1.40%	1.40%	1.60%
2:30pm	EUR	Final CPI y/y	0.30%	0.40%	0.40%
	EUR	Final Core CPI y/y	0.90%	0.90%	0.90%
7:30pm	EUR	Consumer Confidence	-19	-23	-23
8:00pm	USD	Crude Oil Inventories	-5.0M	1.7M	-0.7M
11:30pm	USD	FOMC Meeting Minutes			
21-May					
ALL	EUR	Bank Holiday			
2:00pm	GBP	Flash Services PMI	27.8	20	13.4
	GBP	Flash Manufacturing PMI	40.6	35.1	32.6
6:00pm	USD	Philly Fed Manufacturing Index	-43.1	-40	-56.6
	USD	Unemployment Claims	2438K	2400K	2981K
7:15pm	USD	Flash Manufacturing PMI	39.8	37.5	36.1
	USD	Flash Services PMI	36.9	32.6	26.7
7:30pm	USD	Existing Home Sales	4.33M	4.31M	5.27M
7:30pm	USD	FOMC Member Williams Speaks			
8:00pm	USD	Natural Gas Storage	81B	83B	103B
10:30pm	USD	FOMC Member Clarida Speaks			
12:00am	USD	Fed Chair Powell Speaks			
22-May					
11:30am	GBP	Retail Sales m/m	-18.10%	-16.00%	-5.10%

22nd May 2020

Narnolia Financial Advisors Ltd | Market Strategy Desk

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Disclosure of Interest Statement-

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